GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:383
ANSWERED ON:19.04.2002
IMPORT OF COTTON
NEDURUMALLI JANARDHANA REDDY;RAMDAS RUPALA GAVIT

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have recently resorted to large scale import of cotton due to shortfall in the domestic production;

(b) if so, the actual production of the cotton in the country during each of the last three years in comparison to imports;

(c) whether several State Governments have requested the Union Government to increase the import duty on cotton;

(d) if so, the reaction of the Union Government thereto; and

(e) the measures taken by the Union Government to ensure the protection of domestic cotton growers?

Answer

MINISTER OF TEXTILES (SHRI KASHIRAM RANA)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF LOK SABHA STARRED QUESTION NO.383 FOR ANSWE 19.04.2002

(a) Government does not import cotton. However, the user textile mills are free to import cotton of desired quality parameters to meet their requirements.

(b) Production and import of cotton during 1999-2000, 2000-01 and 2001-02 cotton seasons (October - September) are as under:

(In lakh bales of 170 kg.each)

	1999-2000 (Oct. - Sept.)	2000-01 (Oct. - Sept.)	2001-02
Production	156.00	140.00	154.50 +
Import	22.01	22.00	7.88 (October 2001 to January 2002) ++

\+ Actual arrivals
++ Actual import
Source: Cotton Advisory Board / DGCIS, Kolkata.

(c) & (d) Requests were received to increase duty on import of cotton. After taking into account the interests of the all concerned and the prevailing difference between the domestic and international prices, Government hiked the customs duty on import of cotton from 5% to 10% with effect from 09.01.2002.

(e) To protect the interests of the cotton growers, the Cotton Corporation of India Ltd (CCI) has undertaken support price operation wherever the prices of kapas (seed cotton) touched the Minimum Support Price (MSP). As on 15.04.2002, it had purchased 45,61,984 quintals of kapas (equivalent to lint cotton of 8,81,990 bales of 170 kg. each).